

CSA survey: hot and cold licenses named
Kwasnick discovers new life at Mars

Chain Store Age

GENERAL MERCHANDISE EDITION

November

1984

Software to the rescue

*Louis A. Kwiker remerchandises
Wherehouse Entertainment.*



TWO DOLLARS PER ISSUE

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Ward brings romance to its hard goods

The Appliance Center presents a radically new way to merchandise hard goods. Montgomery Ward has installed track lighting, an elevated walkway and an overhead grid to create a modern, practical way to view and appraise household appliances. . . . 17



Life at The Bon is très bon

With a commitment to full-line retailing and service, The Bon is more than holding its own against powerful Nordstrom. Home furnishings and trendsetting fashions form The Bon's strong suit. The chain appeals to a broader base of customers in that market area. . . . 28



Toy buyers back preschool books

Preschool books are considered staples at most discount, variety and specialty chains. The category contributes between 3% and 5% of total toy sales, buyers report. Vendor services maintain upkeep and inventory eliminating hassles for most departments. . . . 53

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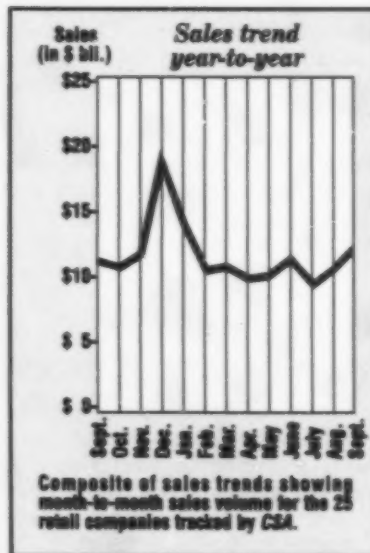
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Consumers still saving, not spending

Record gains in real consumer income over the summer months failed to boost retail sales at the same high rate experienced earlier in the year. Instead, consumers have put their extra income into savings at historically high levels. September sales results provide little clue as to whether or not the savings will translate into increased sales during the Christmas selling season.

The 25 chains tracked by *Chain Store Age* posted an 11.4% sales gain for September and an 11.7% increase for the eight month fiscal



year. The September increase comes off a weak 9.4% gain in July and an August jump of 9.6%. Seven of the 25 chains, led by Wal-Mart's 41.4% increase, saw September performance above their year-to-date figures.

Among the Big 3 catalog chains, J. C. Penney's "Salute to Italy" paid off with a 14.6% increase, led by women's dresses, men's suits, sweaters and Italian-made housewares and home accessories. Comparable-store results were up 12.5%.

Montgomery Ward's rollercoaster sales performance was on the upswing again in September with a 10.7% gain. Sears, amid rumors of

September sales post 11.4% increase

Major chains	% change	Sept. Sales*		Stores		8-mo. sales*		% change
		1984	1983	1984	1983	1984	1983	
Sears ^{1,2}	+ 4.0	2,156,878	2,074,298	879	890	14,653,390	13,747,997	+ 6.6
Penney	+14.6	1,096,000	956,000	2,018	2,034	7,316,000	6,306,000	+16.0
Ward ³	+10.7	614,119	554,633	367	376	3,984,758	3,603,804	+10.6
Federated ⁴	+11.6	717,000	642,200	446	423	4,670,800	4,182,800	+11.7
Dayton Hudson	+14.4	672,581	587,725	1,127	1,058	4,573,260	3,943,192	+16.0
May Dept. Stores	+15.1	452,400	393,000	1,248	1,534	2,770,000	2,430,000	+14.0
R. H. Macy	+ 9.2	383,900	351,700	95	92	2,522,100	2,215,100	+13.9
Allied Stores	+ 5.9	367,000	346,400	584	561	2,346,200	2,156,300	+ 8.8
Carter Hawley Hale	+17.0	334,400	285,700	259	235	2,188,500	1,816,500	+20.5
Associated Dry Goods	+10.3	363,600	329,800	331	324	2,357,000	2,032,000	+16.0
Mercantile	+ 6.1	139,011	136,609	79	85	994,529	930,942	+ 6.8
K mart ⁵	+16.9	1,923,576	1,644,772	2,163	2,138	12,680,242	11,638,344	+ 8.9
Woolworth	+ 5.9	545,651	515,139	N/A	N/A	3,527,663	3,335,853	+10.7
Wal-Mart	+41.4	485,000	343,000	704	611	3,780,000	2,699,000	+40.0
Household Merch. ⁶	+ 2.4	509,798	497,637	2,587	2,699	3,511,604	3,422,757	+ 2.6
T.G. & Y.	+ 2.3	167,127	163,425	760	831	1,252,631	1,222,949	+ 2.4
Zayre ⁷	+22.0	289,362	237,085	805	708	1,851,582	1,528,853	+21.1
Bradlees	+12.5	126,000	112,000	130	123	809,000	650,000	+24.5
Murphy	+ 5.1	79,582	75,721	386	406	556,013	527,470	+ 5.4
Ross's	+ 8.2	59,509	55,010	191	243	551,630	487,440	+13.2
Neck's	+17.8	44,400	37,700	123	119	284,007	263,044	+14.7
Jamesway	+11.9	41,312	36,913	81	77	278,076	247,637	+12.3
Melville	+12.9	425,206	376,624	5,828	5,680	2,967,765	2,575,485	+15.2
Tandy	+ 2.8	202,590	197,050	N/A	N/A	596,132	583,429	+ 2.2
Edison Bros.	- 3.3	93,800	97,000	N/A	N/A	712,077	659,981	+ 7.9
The Gap	+18.5	58,900	49,700	610	563	310,200	282,100	+10.0
Total & Averages	+11.4	12,181,575	10,933,416	—	—	80,792,528	72,266,028	+11.7

*000 omitted. N.C. = no change. N/A = not available.
¹Store number for full-line outlets only. ²Includes 1,051 franchise stores (vs. 1,001 a year ago). ³Includes Von's and T.G. & Y. sales. ⁴Includes 279 Zayre stores (vs. 272 a year ago). ⁵388 Hit or Miss stores (vs. 330) and 138 T. J. Maxco stores (vs. 108). ⁶Excludes supermarket sales. ⁷Includes results from Sears Canada. ⁸Includes results from Waldenbooks. Store count includes K mart stores only.

flat catalog sales, posted September sales 4% above last year. Sales of Sears Canada were up 6.7% in local currency, outpacing the retail giant's United States sales.

Once again, Carter Hawley Hale led the department stores, showing a 17% increase. At Dayton Hudson, California-based Mervyn's led the corporation with a 24% sales jump, followed by specialty operations B. Dalton and Lechmere at 15%, department stores with 12% and Target discount stores at 11%.

K mart, aided by results from the recently acquired Waldenbooks, continues on the upswing. For the third consecutive month, the discounters' monthly sales have outpaced its year-to-date performance.

Tandy's Radio Shack continues to slide. While sales for the Radio Shack division increased from \$153.1 million to \$153.6 million, same-store results slipped 1% for the month.

Penney economist predicts GAF gain

Consumer spending will show a 3.5% real gain in 1985 after registering a 5.5% increase this year, according to J. C. Penney manager of corporate economics Rosalind Wells. The economist further predicts a 7.5% increase in GAF sales in 1985, with real gains of 4.5%.

"This year's sales pattern is expected to show strong performances across all merchandise lines," Wells says. "In 1985, noninterest rate sensitive goods, such as apparel and soft home furnishings, should do better than the housing related, big ticket durables."

Positive indicators, says Wells, include employment and wage growth, moderate inflation, increases in household net worth and significant gains in real disposable income.